



# San Diego City Attorney **CASEY GWINN**

## NEWS RELEASE

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### **\$2 MILLION SETTLEMENT: INTERNATIONAL AGRICULTURAL COMPANY AND MULTI-JURISDICTIONAL PROSECUTION TEAM**

*City of San Diego to receive \$200,000*

San Diego, CA: A \$2 million dollar settlement with Hydro Agri North America, one of the world's largest mineral fertilizer company, has been reached in a consumer protection lawsuit brought by a team of seven California prosecutors, including the District Attorney Offices of Sonoma, Sacramento, Solano, Santa Barbara, Ventura, Fresno and the San Diego City Attorney's Office. According to Deputy City Attorney Steven Gold of the Consumer and Environmental Protection Unit, "The City of San Diego will receive \$200,000 from the settlement."

Hydro Agri North America is accused of short-weighting 50-pound bags of fertilizer in sixteen California counties. In settlement of the action, the fertilizer company, while not admitting any wrongdoing, promptly responded to and rectified the issues raised in the lawsuit.

The suit was filed with a stipulated settlement in Sonoma County Superior Court on Monday. It accused Hydro Agri North America, Inc. of Tampa, Florida of packaging and distributing 50-pound bags of its granular fertilizer that contained less than the advertised weight. According to prosecutors, for at least a year, the bags were short by an average of one-half pound and by as much as 4 1/2 pounds.

The investigation began in February after a routine inspection by the Kern County Agricultural Department's Division of Weights and Measures, said Sherry Estabrooks, a quality control specialist with the California Department of Food and Agriculture's Division of Measurement Standards. The fertilizer products are used by large and small agricultural businesses, golf courses, nurseries, and individual consumers in bags labeled, among other names, Viking Ship and Turf Royale. Prosecutors said the company sells its product in sixty countries.

The company is owned by Norsk Hydro ASA of Oslo, Norway, which has interests in light metals, chemicals, and energy. Hydro Agri is "demerging" from the company next year, according to the company's website; its North American division has 30 facilities in the United States and Canada.

Hydro Agri North America distributes three million bags of fertilizer a year, authorities estimated. After the investigation began, 140,000 50-pound bags were removed from store shelves. Authorities estimate the weight shortage amounted to 1.5 million pounds a year.

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Kurt E. Floren, deputy director of San Diego County's Standards, Analysis and Identification Division, said Hydro Agri North America took immediate action to correct the weight shortage. The company admitted no wrongdoing and agreed to pay \$1.5 million in civil penalties to be divided among six county prosecuting agencies and the City of San Diego. The company will pay \$105,000 in restitution to consumers known to have suffered losses, and \$224,000 to a restitution plan to enforce consumer protection laws. Another \$200,000 will be distributed to state and local agencies that investigated and prosecuted the case. Floren said the suit was intended "to send a strong message" regarding truth in packaging and the accuracy of weights and measurements.